

## **RETIREMENT BOARD MEETING**

**September 21, 2016**

The Retirement Board Meeting of September 21, 2016 was held in the Lower Level Conference Room.

### **MEMBERS PRESENT:**

Alfred Marciano	Scott Small	Jeanne Muto-Kyle
Jean Bouchard	Timothy Kelly	Brian Dunkley
William DePasquale	Donald Cimini	
Councilman Joseph Gallucci (sitting in for Councilwoman Vella-Wilkinson)		

### **MEMBERS NOT PRESENT:**

Ernest Zmyslinski  
Scott Lajoie

### **ALSO IN ATTENDANCE:**

Diana Pearson, Esq.  
Jane Jordan (Retired Personnel Director)

1. **Meeting was called to order at 3:48 p.m.**

2. **Minutes of Previous Meeting**

Minutes of the Retirement Board Meeting of June 15, 2016 were brought before the Board for their review and approval.

<b>MOTION: Jeanne Muto-Kyle</b>
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To approve the Retirement Board Minutes of September 21, 2016 as presented.

Seconded by Timothy Kelly and approved unanimously by the Board members present.

### 3. Quarterly Performance Report

Tony Tranghese, from Fiduciary Investment Advisors distributed materials and presented the quarterly performance report for the Second Quarter of 2016 along with the monthly performance update up to August 31, 2016.

The Municipal Plan had a value of \$115,510,135 as of August 31, 2016.

GMO was put on watch last quarter. Tony advised that they are still on watch and changes are not recommended at this time. FIA representatives will be meeting next week with the head of asset allocation as well a few other members of the team. Their performance for this quarter is in line with what is expected, not terrible, not great. Tony will have more to report at the next meeting or sooner if the due diligences visit yields something unexpected.

### 4. Discussion on past Investment Presentations

After much discussion on how to proceed with alternative investment/insurance options it was determined that the Board does not feel as though they have the appropriate information as a foundation for making decisions on these alternative investments. The following motions were made.

<b>MOTION: William DePasquale</b>
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The Board at this point will not consider any further alternative investments that have to do with insurance based products until a subcommittee is formed to present information to the entity of the Board for their direction as to how to proceed further.

Seconded by Jeane Muto-Kyle and approved unanimously by the Board Members present.

<b>MOTION: William DePasquale</b>
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To form a subcommittee to review and assess insurance based products designed to provide supplemental funding to the Municipal Pension Plan.

Seconded by Brian Dunkley and approved unanimously by the Board Members present.

<b>MOTION: Alfred Marciano</b>
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To name the members of the subcommittee:

William DePasquale, Scott Lajoie, Brian Dunkley and Scott Small.

Seconded by Jeane Muto-Kyle and approved unanimously by the Board Members present.

5. **Portfolio Monitoring**

Email correspondences regarding a fraud lawsuit against Valeant Pharmaceuticals were included in the packets for the Board Members to review. Al Marciano emailed Blair Nicholas and colleagues, a law firm that monitors the Municipal Pension Plan's portfolios. Their recommendation is to not opt out of the class action suit. Al also emailed Eric Belfi, a Portfolio Monitor for the Municipal Pension Plan for his professional opinion. Mr. Belfi indicated that based on the loss of approximately \$290,671, he would stay in the class action suit.

<b>MOTION: Brian Dunkley</b>
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To accept the recommendation of the portfolio monitoring counsel to the City of Warwick's Retirement System to remain a passive member of the putative class in the Valeant securities class action and not file an individual opt-out action.

Seconded by Timothy Kelly and approved unanimously by the Board Members present.

The following Retirement Applications were brought before the Board for their approval.

**6. Retirement Applications**

<b>Date of Retirement</b>	<b>Retiree</b>	<b>Years of Service</b>	<b>Type of Pension</b>	<b>Amount of Pension</b>
9/1/2016	Jane Jordan	34 Years 2 Months	Optional 100%	\$6,130.57/\$6,130.57
9/1/2016	Robin Petrarca	14 Years 5 Months	Optional 100%	\$1,125.16/\$1,125.16
10/1/2016	Patricia Trombley	25 Years 7 Months	Normal	\$2,977.61
11/1/2016	Joseph Lataille	21 Years	Normal	\$2,200.38
11/1/2016	Patricia Cahir	32 Years	Normal	\$3,242.88
11/1/2016	Richard DeSimone	30 Years 10 Months	Normal with QDRO	\$4,220.66 \$ 906.56 QDRO

**MOTION: Jeanne-Muto Kyle**

To approve the Retirement Applications as submitted.

Seconded by Donald Cimini and approved unanimously by the Board members present.

**7. Death Benefits**

There were two Death Benefits @ \$8,000 each for a total of \$16,000 since the last Retirement Board of June 15, 2016.

**MOTION: Timothy Kelly**

To accept of the payments as submitted.

Seconded by Jean Muto-Kyle and approved unanimously by the Board members present.

The following Fiduciary Investment Advisors were presented to the Board members to accept the invoices as paid.

**8. Fiduciary Investment Advisors & Gabriel, Roeder, Smith and Co. Invoices**

<b>PAID INVOICES</b>			
<b>RETIREMENT BOARD MEETING 9/21/16</b>			
<b><u>DATE</u></b>	<b><u>INVOICE</u></b>	<b><u>DESCRIPTION</u></b>	<b><u>AMOUNT</u></b>
6/30/2016	961602	Quarterly Consulting Fee	\$7,696.51

The following Fiduciary Investment Advisors were presented to the Board members to accept the invoices as paid.

**MOTION: Scott Small**

To accept payment of the invoice as submitted.

Seconded by William DePasquale and approved unanimously by the Board members present.

**9. Pension Ordinance Revision – Establishing Protocol of Rehired of Vested Terminated Employees and Retirees.**

A memorandum from Jean Bouchard to the Retirement Board Members dated September 9, 2016 titled Retirement Benefits for Employees & Officials was included in the packets distributed to the Retirement Board Members. The memo is an outline listing different scenarios for employees and elected officials who are rehired after July 1, 2012 which is the effective date of the Municipal Tier 2 pension.

**MOTION: William DePasquale**

To approve the memorandum from Jean Bouchard, Personnel Director, to the Retirement Board dated September 9, 2016, entitled Retirement Benefits for Employees and Officials to be used as a guidance document to determine retirement benefits in accordance with the approved ordinance.

Seconded by Jean Muto-Kyle and approved unanimously by the Board members present.

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<b>MOTION: Scott Small</b>
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10. **To adjourn the Retirement Board Meeting of September 21, 2016**

Seconded by William DePasquale and approved unanimously by the Board Members present.

Respectfully submitted,

Jean Bouchard, Secretary